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SE CRET 02: OCT 70 CITE SANTIAGO

FROM AMBASSADOR

I APPRECIATE YOUR MESSAGE RE FREI AND WERE IT PHYSICALLY POSSIBLE AND PSYCHOLOGICALLY OPPORTUNE I WOULD DO SO, BUT I DOUBT VERY MUCH THAT IT IS.

FREI HAS NO INTENTION OF ADDRESSING JUNTA TO THE BEST
OF MY KNOWLEDGE. RATHER HE IS ENGAGED IN ALL SORTS OF TALKS
WITH KEY PDC AND OTHER PERSONAGES. TONIGHT HE IS DINING WITH
LLERAS RESTREPO. THERE IS A CHANCE THAT I HAVE ARRANGED A
PRIOR MEETING WITH LLERAS WHO ARRIVES HERE AT 1730 HOURS.

IF SUCH A MEETING WITH LLERAS WERE TO MATERIALIZE, I WOULD
EXPLOIT IT FULLY. ALSO, I AM SEEING

AND WILL ARRANGE
FOR A MEETING BETWEEN

YOU SHOULD
KNOW THAT I HAD EARLIER MESSAGED TO FREI (AND IT WAS DELIVERED
SINCE I HAD CONFIRMATION FROM EYEWITNESSES)

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HE ALSO HAS TOLD HIS OWN MILITARY THAT THE U.S. WILL END ALL MILAID AND THAT THE CHILEAN ARMED FORCES WILL SOOON BE DEFENSELESS AGAINST ARGENTINA AND PERU. HE IS FULLY AWARE OF THE MARXISTS PLAN TO SMEAR HIM ONCE AND FOR ALL AFTER ALLENDE IS IN OFFICE. AS I AM CERTAIN CAN ATTEST, NO HEAD OF STATE HAS EVER BEEN SUBJECTED TO MORE PRESSURE. MOREOVER HE HAS CARRIED OUT EVERY SUGGESTION EXCEPT THE CRITICAL ONE (NOT YET AT HAND) OF RESIGNING TO LEAD THE FIGHT HIMSELF. HIS LIEUTENANTS HAVE BEEN WORKING WELL AND EFFECTIVELY IN CREAT-ING THE RIGHT MOOD IN THE PDC BUT AGAIN HAVE BEEN DOUBLE-CROSSED BY THE TOMICISTAS: -- ALLENDE HAS JUST ANNOUNCED THE U.P. WILLINGNESS TO FORM A JOINT COMMITTEE WITH THE PDC TO DRAFT CONSTITUTIONAL CHANGES TO FORTIFY DEMOCRATIC GUARANTEES. THIS LAST-SECOND TURNABOUT BY ALLENDE ON THE EVE OF THE PDC JUNTA WILL TRANQUILIZE THE JUNTA DELEGATES WHO, I TRUST, WILL AT LEAST DELAY THEIR FINAL DECISIONS UNTIL THEY SEE HOW THE NEGOTIATION PROGRESSES. BUT AS I SAID IN MY EARLIER MESSAGE TO UNDERSEC JOHNSON TODAY, I HAD A FAINT SUSPICION

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THAT A DIFFERENT KIND OF DEAL WAS TAKING SHAPE. MY GUESS IS
THAT FREI IS NOW COUNTING UNIQUELY ON A NEGOTIATION WITH
ALLENDE THAT INCREASES THE PDC BARGAINING AND MORAL POSITION
IN THE COUNTRY AND THAT AT THE SAME TIME IS PREDICATED ON
A WORSENING ECONOMIC SITUATION IN THE EARLY MONTHS OF THE
ALLENDE GOVI. (SEE LAST PARA OF TODAY'S STATE MESSAGE
INTERPRETING POLITICAL PLAY, SANTIAGO WRITTEN BY ME
PRIOR TO ALLENDE ANNOUNCEMENT.) IN SUCH CIRCUMSTANCES I
ANTICIPATE TREMENDOUS PRESSURES BY PDC INCLUDING FREI AND HIS
AMERICAN FRIENDS TO MAINTAIN FRIENDLY RELS BETWEEN
CHILE AND U.S. WHEN AND IF OPPORTUNE MOMENT COMES I SHALL
OF COURSE GIVE IT ONE MORE COLLEGE TRY DIRECTLY WITH FREI.